



U.S. Small Business Administration

# ***DISASTER NEWS***

*Economic Injury Loans for Small Businesses*

**Release Date:** August 28, 2007

**Release Number:** CA 10996, 97, 98, 99 - 01

**Contact:** Rick Jenkins

**Phone:** (916) 735-1500

## ***Disaster Assistance Available for Small Businesses***

**Sacramento, CA** - Small, non-farm businesses in 20 California counties (and a neighboring county in Nevada) may now apply for low-interest disaster loans from the U. S. Small Business Administration (SBA). These disaster loans offset economic losses because of reduced revenues caused by adverse weather conditions throughout the state, announced Alfred E. Judd, Director of SBA's Disaster Field Operations Center - West.

Small businesses in the following primary and neighboring counties may apply for working capital loans to offset economic losses that are attributable to the impact of the following weather conditions in the Primary Counties on the incident dates in each disaster:

<b>EIDL</b>	<b>Primary Counties</b>	<b>Neighboring Counties</b>	<b>Incident Type</b>	<b>Incident Date</b>	<b>Deadline</b>
10996	Monterey	Fresno, Kings, San Benito, San Luis Obispo and Santa Cruz	Drought	11/01/06 and continuing	04/14/08
10997	Nevada	Placer, Sierra and Yuba in California; and Washoe in Nevada	Drought, cold temperatures	10/01/06 and continuing	04/14/08
10998	Sutter	Butte, Colusa, Placer, Sacramento, Yolo and Yuba	Severe high temperatures, low humidity	03/11/07 through 3/21/07	04/14/08
10999	Ventura	Kern, Los Angeles and Santa Barbara	Drought	01/01/07 and continuing	04/14/08

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. "Eligibility for these loans is based on the financial impact of the disaster only and not on any actual property damage. These loans have an interest rate of 4%, a maximum term of 30 years, and are restricted to small businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Mike Johanns declared these disasters at the request of Governor Arnold Schwarzenegger.

Businesses primarily engaged in farming or ranching are not eligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration. However, in drought disasters nurseries are eligible for SBA disaster assistance.

For information and application forms call toll-free **(800) 659-2955**, or visit SBA's website at [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance). Hearing impaired individuals may call (800) 877-8339.

*For more information visit SBA's website at [www.sba.gov/services/disasterassistance](http://www.sba.gov/services/disasterassistance).*

**###**

SBA Field Operations Center - West, P.O. Box 419004, Sacramento, CA 95841